SUPPORTING STATEMENT – PART A

Waiver/Remission of Indebtedness Application – OMB Control Number 0730-0009

1.  Need for the Information Collection

Statutes 5 U.S.C. 5584, “Claims for overpayment of pay and allowances, and of travel, transportation and relocation expense and allowances,” 10 U.S.C. 2774, “Claims for overpayment of pay and allowances and of travel and transportation allowances,” 32 U.S.C. 716, “Claims for overpayment of pay and allowances, and travel and transportation allowances,” and DoD Financial Management Regulation (FMR) 7000.14, Volume 16, Chapter 04, Section 0404 (Waiver) and Section 0405 (Remission), pertaining to waiver or remission of indebtedness states that collection of a claim may be waived if there is no indication of fraud, misrepresentation, fault, or lack of good faith on the part of any individual having an interest in obtaining a waiver. 10 U.S.C. 9837, “Settlement of accounts: remission or cancellation of indebtedness of members,” states a debt may be remitted if it is found to be in the best interest of the United States. The information collected on this form will be used by the DFAS to determine whether there is indication of fraud, misrepresentation, fault, or lack of good faith, and whether it is in the best interest of the United States to forgive the debt. It will also be used to determine if a debtor should have been reasonably aware of the overpayment when it occurred.

If a request for waiver is denied, the debt collection office (DCO) (usually the payroll office) will continue or resume collection if collection action was previously suspended. If a request for waiver is approved, then the DCO must cancel any outstanding portion of the debt and refund any portion of the debt that may have been collected prior to waiver approval.

2.  Use of the Information

The information collected on the DD Form 2789 is used to process the individual’s request for waiver/remission. Individuals requesting waiver or remission consideration must provide information concerning their awareness of the debt or erroneous payment, actions taken to correct the situation, reasons for requesting waiver or remission, and documentation in their possession concerning the debt. The request for waiver or remission must then be submitted to the payroll office as indicated on the form, who is responsible for submitting additional supporting documentation, such as master military pay account information, leave and earnings statements, and may provide a written statement either supporting or not supporting the respondents request for waiver. DFAS Debt and Claims technicians will then review the entire request package, which includes this form, to determine whether there is indication of fraud, misrepresentation, fault, or lack of good faith, and whether it is in the best interest of the United States to forgive the debt. It will also be used to determine if a debtor should have been reasonably aware of the overpayment when it occurred. Based on this information and subsequent decision, the Debt and Claims office will issue a formal, written response, which is mailed back to the payroll office and to the debtor. This response provides the details of the debt, provides a determination on whether the request for waiver is approved or denied, discusses the basis for the decision, and provides next steps to include appeal options. Note: For Civilian debts that are greater than $1,500 and Military debts that are greater than $10,000, if DFAS recommends approval, it must submit its recommendation to the Defense Office of Hearings and Appeals, who will then use the entire package to make a final determination.

The form is available on the DoD Forms website (https://www.esd.whs.mil/Directives/forms/) as well as the DFAS website ([www.dfas.mil](http://www.dfas.mil)). The Privacy Act Statement and Agency Disclosure Notice are available to the respondent on the form.

3.  Use of Information Technology

80% of the forms are submitted electronically. The DD 2789 is available in fillable PDF format from the DoD Forms website. Respondents may complete the form, print and fax or mail for processing. Currently, DFAS receives the majority of DD 2789s via electronic means. This includes workflow for the services, Civilian Pay, and Retired and Annuity Pay, as well as via AskDFAS. Approximately 80% of cases come via electronic means vice 20% for hard copy means.

4.  Non-duplication

The information obtained through this collection is unique and is not already available for use or adaptation from another cleared source.

5.  Burden on Small Business

This information collection does not impose a significant economic impact on a substantial number of small businesses or entities.

6.  Less Frequent Collection

This information is collected on occasion. Determinations on the appropriateness of forgiving a debt under the waiver laws cannot be made without the requested information.

7.  Paperwork Reduction Act Guidelines

This collection of information does not require collection to be conducted in a manner inconsistent with the guidelines delineated in 5 CFR 1320.5(d)(2).

8.  Consultation and Public Comments

Part A: PUBLIC NOTICE

A 60-Day Federal Register Notice (FRN) for the collection published on Thursday, June 20, 2024. The 60-Day FRN citation is 89 FR 51875.

No comments were received during the 60-day comment period.

A 30-Day Federal Register Notice for the collection published on Tuesday, August 27, 2024. The 30-Day FRN citation is 89 FR 68603

Part B: CONSULTATION

No additional consultation apart from soliciting public comments through the 60-day Federal Register Notice was conducted for this submission.

9.  Gifts or Payment

No payments or gifts are being offered to respondents as an incentive to participate in the collection.

10.  Confidentiality

Respondents are assured confidentiality, to the extent provided by law, via the Privacy Act Statement on the form. DFAS certifies that the information collected is maintained in accordance with the Privacy Act of 1974, OMB Circular A-130, Management of Federal Information Resources, FIRMR Bulletin B-1 and the Freedom of Information Act.

The data on this form is covered by System of Records Notices:

T 7332, Defense Debt Management System at: <http://dpcld.defense.gov/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570181/t7332/>

T 7335, Defense Civilian Pay System at: <http://dpcld.defense.gov/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570184/t7335/>

T 7340, Defense Joint Military Pay System – Active Component at: <http://dpcld.defense.gov/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570191/t7340/>

T7344, Defense Joint Military Pay System – Reserve Component at: <http://dpcld.defense.gov/Privacy/SORNsIndex/DOD-wide-SORN-Article-View/Article/570195/t7344/>

The Privacy Impact Assessments for this form are as follows:

Defense Debt Management System (DDMS) at: <https://media.defense.gov/2024/Jan/19/2003378850/-1/-1/0/DEFENSE%20DEBT%20MANAGEMENT%20SYSTEM%20(DDMS).PDF>

Defense Civilian Pay System (DCPS) at: <https://media.defense.gov/2020/Feb/29/2002257200/-1/-1/0/DEFENSE%20CIVILIAN%20PAY%20SYSTEM%20(DCPS).PDF>

Defense Joint Military Pay System (DJMS) – Active Component at: <https://media.defense.gov/2020/Feb/29/2002257203/-1/-1/0/DEFENSE%20JOINT%20MILITARY%20PAY%20SYSTEM%20(DJMS).PDF>

Defense Joint Military Pay System (DJMS) – Reserve Component at: <https://media.defense.gov/2020/Feb/29/2002257204/-1/-1/0/DEFENSE%20JOINT%20MILITARY%20PAY%20SYSTEM%20(DJMS)-RESERVE.PDF>

The form states “Routine Uses” indicating who may be furnished information as required by the Privacy Act.

Records Retention for these forms:

T7332, Defense Debt Management System. All cases will remain active until settled by full payment, waiver, write-off, or close-out. The system contains records requiring a retention period of up to 10 years after final action. Records are retired to National Records Centers. Destruction is accomplished by tearing, shredding, pulping, macerating, or burning.

T7335, Defense Civilian Pay System. Records may be temporary in nature and destroyed when actions are completed, they are superseded, obsolete, or no longer needed. Other records may be cut-off at the end of the payroll year and destroyed up to 6 years after cutoff or cutoff at the end of the payroll year and then sent to the National Personnel Records Center after 3 payroll years where they are retained for 56 years. Individual retirement records are cutoff upon separation, transfer, retirement or death, and forwarded to the Office of Personnel Management.

T7340, Defense Joint Military Pay System – Active Component. Records may be temporary in nature and destroyed when actions are completed, superseded, obsolete, or no longer needed. Other records may be cutoff at the end of the payroll year or fiscal year, and destroyed 6 years and 3 months after cutoff. Active duty pay records created prior to automation were cutoff on conversion to the Defense Joint Military Payroll System (DJMS), and will be destroyed October 1, 2033, or 56 years after implementation of DJMS. The records are destroyed by tearing, shredding, pulping, macerating, burnings, or degaussing the electronic storage media.

T7344, Defense Joint Military Pay System – Reserve Component. Records may be temporary in nature and destroyed when actions are completed, superseded, obsolete, or no longer needed. Other records may be cutoff at the end of the payroll year or fiscal year, and destroyed 6 years and 3 months after cutoff. Reserve pay records created prior to automation were cutoff on conversion to the Joint Uniformed Military Payroll System (JUMPS), and will be destroyed 56 years after the year in which created. Records created after conversion to Defense Joint Military Pay System – Reserve Component (DJMS-RC) are cutoff at the end of payroll year and destroyed 56 years after year in which created. The records are destroyed by tearing, shredding, pulping, macerating, burnings or degaussing the electronic storage media.

11.  Sensitive Questions

Disclosure of the Social Security Number (SSN) is used for positive identification of the individual requesting benefit. A justification memo has been approved and is being submitted as part of the information collections package.

12.  Respondent Burden, and its Labor Costs

The respondents in an active pay status are required to complete both pages of the form. They must complete page 1 and their paying office completes page 2. Respondents no longer in an active pay status are only required to complete page 1.

Part A: ESTIMATION OF RESPONDENT BURDEN

1. Collection Instruments

DD 2789, Waiver/Remission of Indebtedness Application (In Pay Status)

1. Number of Respondents: 1,500
2. Number of Responses Per Respondent: 1
3. Number of Total Annual Responses: 1,500
4. Response Time: 2 hours
5. Respondent Burden Hours: 3,000 hours

DD 2789, Waiver/Remission of Indebtedness Application (Not in Pay Status)

1. Number of Respondents: 3,000
2. Number of Responses Per Respondent: 1
3. Number of Total Annual Responses: 3,000
4. Response Time: 1 hours
5. Respondent Burden Hours: 3,000 hours
6. Total Submission Burden
   1. Total Number of Respondents: 4,500
   2. Total Number of Annual Responses: 4,500
   3. Total Respondent Burden Hours: 6,000 hours

Part B: LABOR COST OF RESPONDENT BURDEN

1. Collection Instruments

DD 2789, Waiver/Remission of Indebtedness Application (In Pay Status)

1. Number of Total Annual Responses: 1,500
2. Response Time: 2 hours
3. Respondent Hourly Wage: $7.25
4. Labor Burden per Response: $14.50
5. Total Labor Burden: $21,750

DD 2789, Waiver/Remission of Indebtedness Application (In Pay Status)

1. Number of Total Annual Responses: 3,000
2. Response Time: 1 hours
3. Respondent Hourly Wage: $7.25
4. Labor Burden per Response: $7.25
5. Total Labor Burden: $21,750
6. Overall Labor Burden
   1. Total Number of Annual Responses: 4,500
   2. Total Labor Burden: $43,500

Due to diversity of respondent wages, federal minimum wage of $7.25 was used to estimate total labor burden.

13.  Respondent Costs Other Than Burden Hour Costs

There are no additional costs, such as start-up or capital costs to the respondents.

The total estimated cost of postage to respond to waiver requests is $1,620. This is based on the 20% who return the form and supporting documentation for processing (900 forms x $1.80 (avg cost of mail) = $1,620.00.)

14.  Cost to the Federal Government

Part A: LABOR COST TO THE FEDERAL GOVERNMENT

1. Collection Instruments

DD 2789, Waiver/Remission to Indebtedness Application

1. Number of Total Annual Responses: 4,500
2. Processing Time per Response: 1.5 hours
3. Hourly Wage of Worker(s) Processing Responses: $25.24
4. Cost to Process Each Response: $37.86
5. Total Cost to Process Responses: $170,370
6. Overall Labor Burden to the Federal Government
   1. Total Number of Annual Responses: 4,500
   2. Total Labor Burden:$170,370

Labor hourly wages are based on the 2024 Federal Pay Tables-Base Rate, GS-8/5 (https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/24Tables/html/GS\_h.aspx).

Part B: OPERATIONAL AND MAINTENANCE COSTS

1. Cost Categories
   1. Equipment: $0
   2. Printing: $450
   3. Postage: $2,205
   4. Software Purchases: $0
   5. Licensing Costs: $0
   6. Other: $0
2. Total Operational and Maintenance Cost: $2,655

Part C: TOTAL COST TO THE FEDERAL GOVERNMENT

1. Total Labor Cost to the Federal Government: $170,370
2. Total Operational and Maintenance Costs: $2,655
3. Total Cost to the Federal Government: $173,025

15.  Reasons for Change in Burden

There has been no change in burden since the last approval.

16.  Publication of Results

The results of this information collection will not be published.

17.  Non-Display of OMB Expiration Date

We are not seeking approval to omit the display of the expiration date of the OMB approval on the collection instrument.

18.  Exceptions to "Certification for Paperwork Reduction Submissions"

We are not requesting any exemptions to the provisions stated in 5 CFR 1320.9.